FINAL PROJECT COMPLETION REPORT

I. BASIC DATA

Organization Name: Conservation International

Project Title: Nanggroe Aceh Darussalam (NAD) Policy Initiative Planning Grant

Project Dates: January 2003 – October 2003

Date of Report: December 31, 2003

II. OPENING REMARKS

Provide any opening remarks that may assist in the review of this report.

In December 2002, the Free Aceh Movement (Gerakan Aceh Merdeka or GAM) and the Indonesian Government signed a cease-fire agreement or Cessation of Hostilities Agreement -CoHA, widely seen as the best hope yet of ending the conflict that has claimed between 10,000 and 30,000 lives since the late 1980s. Terms of the agreement included: an immediate ceasefire; disarmament of GAM in designated areas; free elections in 2004 to establish an autonomous (but not independent) government; and a revenue sharing system through which the new provincial government receives 70 percent of fuel (oil, gas, mineral, forest) revenues. With this deal came significant opportunities to work with the provincial and local governments for longterm conservation and development, and we had great hope that security issues would lessen, allowing field conservation activities in Aceh again.

Unfortunately the CoHA did not last long. After weeks of uncertainty (due to the breakdown of the Cessation of Hostilities Agreement – CoHA), martial law was declared in Aceh through a presidential decree on May 19, 2003. The decree was effective for 6 months, and has since been renewed for a second 6-month period. This means that the military has total provincial control (over and above the governor). An active, serving, military general is Aceh's highest command. The last time martial law was declared in Indonesia was in 1999 in East Timor, prior to its secession from Indonesia. Several armed clashes have occurred between the separatist group (GAM) and the Indonesian military.

CI-Indonesia has kept abreast of developments in Aceh through communication with our partners there as well as in North Sumatra (Medan) and Jakarta, especially Flora and Fauna International (FFI), World Wildlife Fund-Indonesia (WWF-I), and the Leuser Management Unit. OXFAM (a UK-based humanitarian NGO), WWF-Aceh and FFI, were headquartered in Banda Aceh, but evacuated their staff when a 17 June 2003 declaration barred foreigners from entering Aceh. As of that date, all international NGOs left the area and very few have returned. It is just quite recently that Banda Aceh, the capital city of NAD, has become relatively safe. Martial law has been extended, minimally, through 19 May 2004.

From the beginning, one of the fundamental assumptions for this project had been that the political milieu would be conducive to safe field operations by CI-I staff. Responding to the ongoing situation, CI-Indonesia developed a scenario-planning framework that resulted in scalingdown the activities in NAD, and putting greater emphasis on Angkola and western Toba. To support these efforts, CI-Indonesia placed staff that originally were going to be based in the Banda Aceh office (as originally planned) in Medan.

Due to martial law, traveling to some regions in NAD and organizing workshops or seminars often required obtaining a special permit from the military. Lengthy and complicated negotiations were required to perform even the most basic project activities, and this caused delays in achieving targeted indicators However, preliminary assessments have been successfully developed,

presented in Banda Aceh, and circulated for socialization. Follow-up and monitoring progress are needed.

The project experienced some delays because of the civil unrest in NAD. It would have had a greater impact and been delivered with fewer delays if the political atmosphere was more conducive to field operations run from Banda Aceh.

Importantly, the decentralization process has begun in NAD, and Acehnese are looking to reduce their economic dependence on Jakarta. Stakeholders were interested in information about the economy of the region, and requested additional economic-related assessments. For example, CI-Indonesia received high many requests to conduct further economic valuations of natural resources, cost and benefit analyses of major infrastructure projects (e.g., road development), community forests policies and regulations, and analyses of community dependency on natural resources.

III. ACHIEVEMENT OF PROJECT PURPOSE

Project Purpose: The purpose of this project is to improve natural resource management within NAD.

Indicator	Actual at Completion
Purpose-level:	
 Provincial and district economic recovery strategies include conservation parameters by January 2005. District and provincial economic development strategies include conservation parameters by January 2005. District and provincial natural resource policies/strategies include conservation parameters by January 2005. Key stakeholders develop a conservation governance mechanism by January 2005. Key stakeholders implement conservation governance mechanism by January 2006. 	District and provincial government officials (mid-level), University of Syah Kuala, local parliament members, Keuchiks (head of villages) and local and international NGOs called for a ban on any logging operations in NAD.

Planned vs. Actual Performance

Describe the success of the project in terms of achieving its intended impact objective and performance indicators.

Despite the unfavorable political milieu in NAD, CI-Indonesia managed to achieve significant impacts by using the assessment results to influence key stakeholders at indigenous community level, members of local parliaments, regional planning agencies, and local NGOs. For example, CI-Indonesia presented the preliminary result of the analyses at the final stakeholders consultation. The participants included district and provincial government officials (mid-level), local parliament members, Keuchiks (head of villages) and local and international NGOs. An output of this workshop directly attributable to CI-Indonesia's work was a declaration calling for a ban on any logging operations in NAD. The group appointed CI-Indonesia as the leading institution for capacity building of civil society on conservation based development for three districts.

Were there any unexpected impacts (positive or negative)?

Yes. The call for the logging ban was a surprising and welcome positive impact.

IV. PROJECT OUTPUTS

Project Outputs: Enter the project outputs from the Logical Framework for the project 1. Re-establish and strengthen CI Indonesia presence in NAD.

- 2. Preliminary assessment of economic and policy factors options that impact conservation in NAD conducted.
- 3. Communication strategy and tools for disseminating information on conservation developed.

	Indicator	Actual at Completion
1.1.		Strategy design and work plan document was completed.
1.2.	Staffing needs identified completed by 15 March 2003.	Staffing needs were identified.
1.3.	TORs developed and staff hiring process begun by 31 March 2003.	TORs for NSC staffing were completed, advertisements placed in national newspapers and on job mailing lists. Applicants short-listed, candidates interviewed.
1.4.	Office equipped, partially staffed and operational in Banda Aceh by 15 April 2003.	Office equipped, staffed and operational in Medan. (CI-Indonesia concluded that it would not be feasible to establish a presence in NAD through a Banda Ache office. Our strategy changed and we shifted the priority to strengthening the existing Medan office and placing staff originally intended to be based in Aceh in Medan.)
1.5.	Project fully staffed and following the work plan schedule by 15 May 2003.	Positions are now filled. It was difficult to find a suitable candidate for the position of NSC Program Manager. A well-qualified person has recently been recruited, Ismayadi Samsoedin, now is managing the NSC team.
2.1	Macro-economic assessment of existing and planned economic and development activities in NAD completed by 30 May 2003.	Project deliverables associated with Activities 2.1 - 2.4 are under final review and will be sent to CEPF in mid-January 2004. (This is partially attributable to the resignation of the NSC Resource Economist; we now have several
2.2	2. Overview assessment of provincial and policy/regulations and decision-making process in NAD regarding natural resource management and development plan completed by 30 May 2003.	candidates for replacement and will re-hire in January 2004.)
2.3	. Initial quantification of economic incentives	

Planned vs. Actual Performance

 and stakeholders involved with/impacted by critical threats conducted by 30 June 2003. 2.4. Preliminary assessment of the options for conservation and economy to mitigate threats and conserve biodiversity by 30 June 2003. 2.5. High-level conference convened to discuss and receive inputs on the state of / needs involving natural resource management in NAD by 31 July 2003. 3.1. Communication strategy and tools for 	When martial law was imposed, it became impossible to conduct the high level conference, and instead, we conducted several smaller meetings. In October 2003, CI-Indonesia, in collaboration with FFI, presented the preliminary assessment results at the final stakeholder consultation. Workshop participants assigned a working group to follow up the results. The working group asked CI-Indonesia to help with economic analysis that would enable them to persuade NAD government to develop conservation-based Spatial Planning, and to keep alive the logging moratorium policy. CI-Indonesia also met with key persons in NAD Governor's office including the Head of Provincial Forestry Office and Chief of NAD Police to discuss conservation issues. The Working group also asked CI-I to take the lead in organizing local people to further develop conservation parameters that they later can use to negotiate with the local government.
3.1. Communication strategy and tools for disseminating Preliminary Assessment results developed by 30 October 2003 for implementation during NSC Design and Action Planning phase.	Communications tools developed and strategy drafted.

V. LESSONS LEARNED:

- 1. Consultations with stakeholders should be done in a strategic fashion to generate interest and comments. Demonstrating the potential economic benefits of conservation can be a powerful way to harness stakeholders' interest.
- 2. In this era of decentralization in Indonesia, key individuals in communities and leaders of indigenous groups can put significant pressure on provincial and central governments to incorporate conservations priorities into their spatial plans and other development activities. (This is very important in the Reform era, so that the district governments do not have to rely on Jakarta's favor to keep their seats but rather on support from local people. To retain their power, the local governments must put local aspirations as their first priority including their demand for protection of local resources. This provides an important opportunity to shape local policies, on which NGOs can capitalize, to shape local policies in this as well as other regions..
- 3. Small scale, but intensive meetings with key stakeholders at all levels, including the community level, district government level, and provincial government level. It is key to get all "players" on the same page, with the same vision. This then allows us to successfully organize larger-scale meetings such as multi-stakeholder conferences,

which often are the most effective way to communicate the complex issues associated with weighing the trade-offs of conservation action. These small-scale meetings should be conducted prior to a workshop or a conference where results are presented to a broad group of stakeholders.

- Scenario planning is critically important for work in areas of civil unrest and general instability. It enables project staff to anticipate and quickly react to any substantial changes in the field milieu.
- 5. Small-scale but visible fieldwork can be an effective way to gain trust from community, government and other partners.

For more information about this project, please contact:

Susie Ellis Conservation International 1919 M Street, NW Suite 600 Washington, DC 20036 Tel: 202-912-1000 Fax: 202-912-1046 E-mail: <u>s.ellis@conservation.org</u> www.conservation.org